PETSEC ENERGY LTD

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MEDIA RELEASE

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Drilling Update:
WEI 6-12E-1A EXPLORATION WELL, OFFSHORE CHINA

Petsec Energy Ltd (ASX: PSA, ADRs: PSJEY.PK)

The operator of Block 22/12 Beibu Gulf, Roc Oil Company, advises that as at 0600 hours (local time) on 11 March 2008, the current operation at the Wei 6-12E-1A exploration well was cutting sidewall cores.

Since the last Drilling Report on 4 March 2008, the well has drilled to a Total Depth of 2,510 mBRT and an extensive evaluation programme has been carried out. Although the well encountered minor residual oil shows it will be plugged and abandoned. The well result does not impact upon the development plans for the nearby Wei 6-12 and Wei 6-12 South Oil Fields.

Based on a variety of operational reasons, the Block 22/12 Joint Venture is currently reviewing its decision to drill the Wei 12-2N-1 well.

Participating Interests in Block 22/12 Joint Venture are:

Petsec Energy	**25%**	
Roc Oil (China) Company	40%	(Operator)
Horizon Oil Limited	30%	
Oil Australia Pty Ltd*	5%	

The above interests are subject to China National Offshore Oil Corporation (CNOOC) rights to participate up to 51% in developments.
**A subsidiary of First Australian Resources*

Petsec Energy Ltd is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. It has operations in the shallow waters of the Gulf of Mexico and the onshore Louisiana Gulf Coast region of the USA, and oil in the shallow waters of the Beibu Gulf off the south coast of China.

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